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SUBJECT: PANAMA: PORTOBELLO - LANDMARK TOWN ONCE PLAGUED BY  
PIRATES STRUGGLES TO SURVIVE

REF: 05 STATE 01591

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SUMMARY  
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1. Portobello is a small village of 7,000 people on Panama's Atlantic coast, located on a difficult road 40 kilometers east of Colon. Community leaders invited EmbOffs to visit and discussed their town's needs and their concerns about drug traffickers who transit the coastal waters. Portobello contains historic ruins from its era as Spain's principal port of entry to the isthmus and its colonies in western South America. The United Nations Education, Scientific, and Cultural Organization (UNESCO) recognized it in 1980 as a cultural landmark. Despite its historical significance, Portobello is a rundown hamlet and Panama has done little to make it a tourist destination. Few tour buses come to the town and most visitors spend only an hour or two in the ruins of the forts that once defended the harbor from pirates or tour the restored Spanish customs house constructed in 1630. The future of Portobello is linked to the downtrodden port of Colon (reftel), the northern entry to the Panama Canal and the country's second largest city. In the past year, both Ambassador Watt and Ambassador Eaton have visited Colon to highlight U.S. interest in the town. The Embassy also maintains a virtual presence in Colon. Last October, during a port call, the crew of a U.S. Coast Guard cutter voluntarily refurbished a school in Colon. The Embassy has encouraged the Government of Panama (GOP) to focus on Colon, a center for money laundering, drug trafficking, and other illegal activities that can easily travel via ship to the shores of America. End summary.

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Columbus slept here  
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2. In 1502 Christopher Columbus discovered Portobello's harbor when he sought refuge from a violent storm. The nearby city of Colon is named for him. The Spanish constructed a village and port at Portobello in 1597 that was their port of exit and entry into South America until 1738. Each year during this era, a fleet of 25 to 35 ships traveled from Spain to Portobello. Following the arrival of the fleet, the sleepy port came to life for 30 to 60 days as a great trade fair took place. The ships would then depart for Spain filled with gold and other treasures from Peru, the Philippines, and other parts of Spain's new world empire.

Portobelo would then become a quiet seaside town until the Spanish ships returned. Slaves carried much of the ship's cargo across the 50 mile isthmus that links Panama's Pacific and Atlantic coasts. So many persons died on this trail that it was named Camino de las Cruces or Trail of the Crosses. In the 1850s prior to the construction of the railroad linking Panama's Atlantic and Pacific sides, Portobelo briefly sprung to life again. Many of the "49ers" used Portobelo and Camino de las Cruces to cross Panama and shorten their journey to the gold fields of California by 7000 miles. The construction of the trans-Panama railroad and the Panama Canal once again made Portobelo a relic of the past. Today descendants of African slaves that once worked in the port give the region a rich culture that draws on its African, Indian, and Spanish heritage.

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#### Sir Francis Drake Sleeps with the Fishes

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13. The raids by pirates on Portobelo's forts and ships are well documented. In 1596, before its official founding, Sir Francis Drake died of fever while attacking the town. Drake's crew buried him at sea in a lead coffin near the harbor's entrance and today some divers still seek his coffin. In 1668 Henry Morgan led an especially gruesome attack on the town. After using nuns and monks to place ladders against the walls of the fort, Morgan's band scaled the ramparts and spent several days torturing, murdering, and looting the surviving inhabitants. Somehow Portobelo survived the frequent raids from the sea but in 1738 Spain abandoned the route across Panama in favor of the longer but much safer route around Cape Horn to travel to Spain.

Portobelo went into a deep sleep from which it rarely awakens.

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#### Little Gained from UNESCO Recognition

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14. Portobelo has gained little from its UNESCO recognition. A state of the art museum in the former Spanish Customs House does little to make the rest of the town attractive to visitors. The twisting narrow coastal road leading to the town is difficult for cars and nearly impassable for buses that rarely visit from the cruise ships docked at nearby Colon. Three small oceanside restaurants offer decent food but lack service, comfort, or ambiance. Most of the streets are unpaved, there is no parking lot, and the residents have built houses on the ruins of the old fort. In October of each year Portobelo briefly revives as religious pilgrims arrive to pray before the statue of the Black Christ of Portobelo in the town's church. Many of the pilgrims walk from their villages to visit Panama's most important religious shrine. As the pilgrimage concludes, the statue is carried from the church on a platform by 80 men followed by hundreds of pilgrims holding candles. The statue is then returned to the church marking the end of the feast and Portobelo again returns to its slumber.

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#### Wish List Presented to EmbOffs

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15. Portobelo's Mayor Carlos Chavarria told EmbOffs of the pressing need to repair the town's water system for \$10,000 and to build an emergency room onto the town's medical clinic for \$28,000. The radios used by the town's police are also obsolete and unable to reach the Panamanian National Police Headquarters in Colon. Julio Kenyon, President Torrijos Special Advisor to Colon was also present during the visit. Kenyon could clearly fund such small projects but as during President Bush's visit last year, Panama frequently wants "deliverables" (i.e. cash) from any USG visitors. Chavarria

spoke about the possibility of drug runners using his town to transfer cargoes to an overland route. However, Portobelo's highway is a narrow chokepoint where the police could easily stop any vehicle. A more realistic plan is for smugglers to stage refueling boats in Portobelo to refuel drug carrying vessels at sea. Portobelo now exists as a suburb of Colon and many of its residents commute to work there in the colorfully painted but ramshackled school buses that are the backbone of Panama's public transportation system. The loss of these jobs in Colon would be another serious blow to Portobelo and could result in the return of modern day pirates to the town.

EATON